

NORTHAMPTON BOROUGH COUNCIL

CABINET

Wednesday, 5 August 2009

PRESENT: Councillor Woods (Chair); Councillor Hoare (Deputy Chair); Councillors Beardsworth, Church, Crake, Perkins and P.D Varnsvery

1. APOLOGIES

There were none.

2. MINUTES

The minutes of the meetings of 8TH July 2009 and 15 July 2009 were agreed as a true record and signed by the Chair.

3. DEPUTATIONS/PUBLIC ADDRESSES

RESOLVED

- (1) That Mr Tony Love, Mr Ken Howlett, Ms Natalie Lawrence, Mr Adrian Inwood, Ms Linda Carter, Councillor Pam Varnsvery and Mr Tony Clarke be granted leave to address Cabinet on Item 7, Sixfields – Development Agreement.
- (2) Ms Beverley Mennell and be granted leave to address Cabinet on Item 9, Market Square Feature and Item 13 Housing HRA Private Finance Initiative.
- (3) Mr Norman Adams and Mr Martin De Rosario be granted leave to address Cabinet on Item 13 Housing HRA Private Finance Initiative.
- (4) Mr M Baker be granted leave to address Cabinet on Item 9 Market Square Water Feature.
- (5) Councillor Joy Capstick be granted leave to address Cabinet on Item 5A, O & S Response to Call-in.
- (6) Councillor Keith Davies be granted leave to address Cabinet on Items 5A, O & S Response to Call-in and Item 13 Housing HRS Private Finance Initiative (PFI).
- (7) Councillor Tony Clarke be granted leave to address Cabinet on Item 10, Value for Money Partner for the Directorate of Environment and Culture.

Item 7

Tony Love confirmed he was the Senior Coach at UK Athletics which was run by enthusiastic volunteers of all ages and all walks of life. They had represented Great Britain in the Mini Olympics and advised of their Club's successes over the past year despite the problems with the facilities at Sixfields Stadium. Over previous years a binding agreement was entered into in order to safe guard the facilities which had not been fulfilled but marginalised. The facilities had been graded the lowest at grade one. The local schools were doing their best to promote athletics but the trials had to be held at Corby which was time consuming and unfair especially when many schools were within easy distance of Sixfields Stadium. All parties should honour the existing agreement so local people could see how good the Athletics Club was.

Ken Howlett addressed Cabinet as former Chairman of the Club who was involved with the licence agreement to protect their interests. He believed it was an important part of the lease that the facilities were maintained to a decent standard but at present they were sub standard and graded at one out of ten. Corby had good facilities and he believed that they were unable to progress as a Club until this issue was resolved. The Athletics Club won

nearly every competition they enter and currently had approximately 250 children as members. As the licence had not been honoured, confidence was very low and considered this as a turning point which needed to be handled properly. The Club would not accept anything but the best. In response to Councillor Church's question he confirmed that the maintenance had been carried out by the Council at a cost of £100,000 per year and then it was transferred over to Northampton Football Club. The licence was drawn to ensure they had training days, cost of renting and lights were in reasonable terms and an inspection of the track and facilities were carried out every year to get competition licence renewed. This had not been carried out. £100,000 needed to be spent to bring the facilities up to competition standard to involve the public and be proud of the Athletics Club. In response to further questioning Mr Howlett confirmed the Club had 700 members overall and last held a competition event approximately seven years ago. To bring it up to competition standard then the grade would need to be between seven and nine. The reasons that Northampton Football Club had not maintained the facilities were they had believed they had not received the licence from the Council which had been signed in March 2004. The Football Club and Athletic Club were aware of the content.

Natalie Lawrence addressed Cabinet as the Club Coach Committee Member and Welfare Officer. She confirmed that 25,000 young people between 15 and 19 years used the facilities at the Club and she was responsible for organising festivals and athletics. Last year they held 27 indoor festivals for primary schools and 15 outdoor festivals as well as running an after school program. People had to go outside of the town to take part in district qualifying to compete at higher competitions and this was an expense and inconvenience. They had a number of gifted and talented people but were restricted on facilities at the Club. The Government want to provide for young people but considered that they were being failed. Another Government offer was to provide five hours of physical activity, two hours in school and three hours outside school in extra-curricular activities but they needed adequate facilities to attract people and maintain them. This also provided an impact on academic achievement and the Athletics Network. If they received funding the project could provide for young people the facilities they required and also share practice and expertise. It would provide recognition for town and offer higher level competitions.

Adrian Inwood confirmed he was a parent and had three children between the ages of 12 to 17 who attended the Athletics Club. He had spent most of his time travelling up and down the country and he considered that compared to other Councils and Boroughs the facilities at Sixfields were sub standard. He believed the town were not aware of the achievements in athletics and would be losing the talent to other counties as some people were unable to travel to Corby to compete. Children should be encouraged to achieve and could go further with the backing of the town. In response to Councillor PD Varnsberry's question other Boroughs had the best equipment, support from their local council's and also looked after their facilities. 90% of the Country's tracks were in better condition than Northampton. They had the best coaching but now needed the facilities as well. In response to further questioning Mr Inwood confirmed that all members were competing at a minimum of county or regional standards and there were 50 county champions in Northampton.

Linda Carter addressed Cabinet as the Club Secretary and believed that the Council had promised to maintain the track. They had 700 members and coaches who spent a lot of time with them and the local schools also used the facilities. Their development had been delayed due to the deterioration of the track and wanted the Landlord to be more involved. She believed that the Club should be included in the list of consultees and be more involved. In response to Councillor Woods' question she confirmed with funding they would build a Club House, improve indoor facilities and have storage for their own equipment.

Tony Clarke commented that the report was potentially good news for Northampton to raise their profile compared to other cities around us. This was an opportunity to put right and

build better facilities for the Athletics Club and the Football Club. They had contacts with 50,000 young people per year and over 600 amateur footballers had signed on. They needed an athletics club fit for purpose and for the size of the town to raise the profile and standards. The standard of the track was poor before Northampton Football Club took it over and it had cost the Council £450,000 to manage. Northampton Football Club had now lost £1.8 million and were unable to subsidise additional sport at the venue. If all parties had worked together four years ago then more money would have been provided but the Football Club had to lower aspirations and downgrade their plans when what they needed was to have proper facilities for a town of this size. In response to Councillor PD Varnsberry's question, Mr Clarke confirmed that the artist's impression in the Chronicle and Echo was the preferred design three years ago but now may need to be revised. The licence did not work when the Council was the landlord and did not work when Northampton Football Club was the landlord as for the first two years the Club was undercharging and because of the money lost, were unable to uphold the agreement. A renegotiation of funds had to be arranged and for 50% of all income be ring fenced for maintenance of facilities. In response to further questioning he confirmed that there was back rent owing which was £20,000 so when they negotiated it was then £9,000. He also confirmed that the town was not building a new stadium because of restricted funds so they want to replace the track to become competition standard. If the Council worked with Northampton Football Club then they could achieve huge gains for town.

Item 9

Mr Baker addressed Cabinet thanking the Council for considering public opinion in consultation of the Market Square Fountain. He wanted confirmation of what security measures would be in place against vandalism and asked Cabinet to reconsider the positioning of the fountain to the middle of the square as it would disrupt businesses in its designated location.

Item 9 & 13

Beverley Mennell confirmed to Cabinet that she had attended the Eastfield Residents Association where the PFI Consultation was being carried out. She considered the information given that the funds were part of the capital receipts from Right to Buy was incorrect as the PFI arrangement was in the form of a loan, payable back over 20 to 30 years. She wanted the Council to provide transparent details to the residents so they understood the arrangement. The Water Fountain was the gateway of the town so the Council should ask the people of the town what they wanted and a proper consultation to be carried out. The maintenance of the fountain was large and the Council should consider if they wanted this cost over the coming years considering the current climate.

Item 13

Norman Adams addressed Cabinet and he compared the PFI Housing proposal to the story of the 'Emperor's New Clothes' and suggested that the Defend Council Housing (DCH) group would take the role of the child who first pointed out the lack of substance of the new clothes (PFI Funding). He expressed concern that the Council was agreeing to commit £275,000 of money earmarked for much needed repairs, with no warranty of anything.

Item 13

Martin De Rosario addressed the Committee and suggested that the PFI was coming to Goldings in 2013 as several homes failed the Decent Homes Standard. He wanted clarification of what would happen if the Council were unable to match the £100 million given and where the money would come from.

Item 5A

Steve O'Connor felt that the decision to call-in this report was an opportunity to reconsider the decision that Cabinet took. He considered the debate to call in whether the report was or was not a key decision was irrelevant as not due consideration was given to proposals for the partnership with Northampton County Council and Daventry District Council. There was a choice to be made and if it was taken to market testing then it would be the wrong decision.

4. DECLARATION OF INTEREST

1. Councillors Tony Woods and Richard Church declared personal and prejudicial interests for Item 16 (Private), Land at Green Street as members of WNDC Board and withdrew for the duration of that item.
2. Councillor Tony Clarke declared a personal and prejudicial interest in Item 7, Sixfields Development Agreement as a Director of Northampton Town Football Club. He spoke as a member of the public under Item 3, Deputations and Public Addresses and withdrew for the duration of item 7 after addressing Cabinet.

5. ISSUES ARISING FROM OVERVIEW AND SCRUTINY COMMITTEES

5.1 REPORT OF OVERVIEW AND SCRUTINY COMMITTEE 3 (IMPROVEMENT, PERFORMANCE AND FINANCE) ON THE CALL-IN OF CABINET DECISION OF 8 JULY 2009: EVALUATING WAYS OF DELIVERING SERVICES AND IMPROVING VALUE FOR MONEY FOR THE COUNCIL TAX PAYERS OF NORTHAMPTON

As Chair of Overview and Scrutiny 3, Councillor Lane presented to Cabinet the findings following the call-in of the Cabinet Decision of 8 July 2009: Evaluating Ways of Delivering Services and Improving Value for Money for the Council Tax Payers of Northampton. He stated that the item had been identified as a non-key decision in the Forward Plan but the report presented to Cabinet identified the issue as 'key'. This was the reason for the call-in.

Councillor Keith Davies addressed Cabinet, expressing confusion as to why the issue of Market Testing was not on the agenda as a separate item. He felt that a crucial part of discussion at the Overview and Scrutiny meeting, relating to advertisements for tenders, had been omitted from the report. He felt that the process was not clear to the public, who might then assume that the council had something to hide.

Councillor Clarke addressed Cabinet clarifying that the decision made at the meeting on 8 July had not been implemented because of the call-in process. He was of the opinion that the decision made at the time was based on information that had not been available to the relevant Portfolio Holder. He then invited the Monitoring Officer's view as to whether or not the issue was a key decision. Councillor Clarke believed that the issue should have been 'key' owing to the financial impact and the impact on more than one ward. He warned Cabinet that he intended to refer the matter to the District Auditor.

Councillor Capstick addressed Cabinet commenting on the ambiguity of the Borough Solicitor's advice relating to whether or not the issue was 'key'. She asked for assurance that £50,000 had not already been spent on the process. She then asked for an open and transparent debate with all matters flowing from the decision being subject to the pre-scrutiny process. There was still confusion as to whether the issue was incorrectly designated as non-key on the Forward Plan, or whether the fault was in the report that was presented at Cabinet. Overview and Scrutiny had determined that the item should have remained non-key as on the Forward Plan. It was pointed out that if the issue was non-key, then all reports

would have come back to Cabinet as key decisions and would be on the Forward Plan and open to scrutiny.

The Monitoring Officer then advised Cabinet that the conclusions of Overview and Scrutiny clearly indicated that the designation of the issue on the final Cabinet report as 'key' was a publication error and they had accepted that the issue was 'non-key'. The decision made on 8 July was legally valid but was currently suspended pending call-in. He confirmed that if the issue had been a key decision, all other decisions could have been non-key. In response to a question from Councillor P.D. Varnsberry, the Monitoring Officer confirmed that as the decision of 8th July 2009 was legally valid notwithstanding the error on the face of the report identifying it as key, Cabinet could have heard Scrutiny's comments adopt the original decision.

Cabinet then discussed the Scrutiny Committee's comments and agreed that, as the decision had proper status, they were happy to re-confirm it. With reference to recommendation 2.1 (2) on the 8th July report, it was pointed out that the definition of a key decision was accessible for Members of the Council in the Constitution, as well as being outlined on the Forward Plan and the front page of the Cabinet agenda. However, the Monitoring Officer was to reaffirm this with Members.

RESOLVED

1. That the Appropriate Officer would circulate the definition of a key decision to all Members of the Council (as outlined in the Constitution pages 2-37 and 2-38, article 14)
2. That the decisions made at the meeting on 8 July 2009 relating to Item 10 on that agenda be re-confirmed.

6. RESPONSE TO THE RECOMMENDATIONS OF THE OVERVIEW AND SCRUTINY 3, CUSTOMER SERVICES TASK AND FINISH GROUP PRESENTED TO CABINET ON 20TH MAY 2009

As Chair of Overview and Scrutiny 3, Councillor Lane presented to Cabinet a report outlining the response of the Director of Finance and Support in respect of recommendations made by Overview and Scrutiny 3, Customer Services Task and Finish Group. He drew attention to recommendation 8 concerning a proposed Health and Safety inspection of Cliftonville focussing on lighting. He explained that staff had chosen to subdue lighting in the office concerned to reduce screen glare.

Councillor Woods commended Overview and Scrutiny on an excellent piece of work and commented that the majority of the recommendations had been accepted and implemented. There had recently been a full Health and Safety review of Cliftonville and risks related to screens had been assessed. If anti-glare screens were needed, that would be corrected. He called upon the Chief Executive to review and address.

RESOLVED

That Cabinet agree the response of the Director of Finance and Support to the recommendations made by the Overview and Scrutiny 3, Customer Services Task and Finish Group. In particular that Cabinet:

- a) Records its appreciation for the work of the Task and Finish Group in identifying further ways in which the Council can improve the customer experience.
- b) Notes that many of the Group's recommendations have been addressed in the Service Plan 2009/10 for Customer Services due to the involvement of the Head of

Customer Services and ICT and the Assistant Head of Customer Services in the Task and Finish Group's review. Specifically recommendations 1, 4, 5, 6, 10, 12, 13, 14 and 15.

- c) Accepts recommendations 3 and 17 which will be addressed in the delivery of the Customer Excellence Strategy.
- d) Accepts in principle recommendations 2, 7, 9, 18 and 19 which will be reviewed by the One Stop Shop Transformation Project Team. However, Cabinet may need to make a further decision on staff uniforms in the One Stop Shop if this cannot be met within existing budgets.
- e) Rejects recommendation 8 as a Health and Safety Review has previously been done for Cliftonville House and all Display Screen Equipment risk assessments in the Contact Centre have been completed.
- f) Accepts recommendation 16 to include a review of the Council's Core Documents on the Overview and Scrutiny 3 Work plan.
- g) Advises that no further action is required in respect of recommendation 11 to offer documents in tape or compact disc format as this is already covered within existing policy.

7. SIXFIELDS - DEVELOPMENT AGREEMENT

Councillor Pam Varnsvery addressed Cabinet and confirmed she was the Councillor for the ward and was in support of the Club and the proposals for the stadium. She had been advised the account for the 50% of the Rugby and Northampton Athletics Club's rent to be set aside for maintenance was still in the process of being set up but she was optimistic that things could only improve.

Councillors Clarke left the meeting after having declared an interest.

Councillor Perkins as Portfolio Holder for Finance and Support presented the report to Cabinet. He was seeking Cabinet's authority to proceed with the details negotiation of a development agreement affecting land within the Council's freehold ownership at Sixfields Stadium Complex presently let to Northampton Town Football Club Limited (NTFC) in combination with other land owned by homes and Communities Agency (HCA) and to agree, in principle, the Council's approach to obtaining value for its property interests. He confirmed that this was not an agreement but a framework for a development of an agreement. The framework would be transparent so the public would know how the Council dealt with negotiations.

Councillor Church welcomed the focus on the Athletic Club facility and confirmed that it was also about improving the town as a whole. He did agree that the Club should be referred to in the list of consultees so when the project moves forward they would be satisfied that they were receiving the correct facilities. Therefore he proposed that this be included as a condition.

Councillor PD Varnsvery appreciated that this was the start of the process but noted that this was a great improvement and seconded the proposal.

Councillor B Hoare congratulated the Club for looking after the whole age range for sports and noted there was a great desire for Northampton to move forward. The economic climate factored into what could be delivered and there was a number of people who wanted the same outcome and move forward with some hope.

Councillor Woods noted the recommendation in the report that the Town Centre area needed to be improved but so did the Sixfields area and this was a good opportunity to do so. The Football Club had advised of their aspirations for a better stadium and the replacement of athletics facilities and noted that they had an excellent school development program and welcomed the paper.

RESOLVED

1. That Cabinet supports this Council entering into a development agreement with Homes and Communities Agency (HCA), Northampton Town Football Club Limited (NTFC) and a development partner to facilitate the development of land at Sixfields for a scheme involving uses that will
 - (a) not conflict with preserving and enhancing the commercial vitality of the Town Centre,
 - (b) ensure that the stadium itself continues to be used for Association Football and other uses described under the existing Lease referred to at 3.1.1 and
 - (c) ensure that replacement athletics facilities are built to UK Athletics Competition Standard for track and field, within Northampton prior to any redevelopment of the existing facilities.
2. That Cabinet supports the principle that this Council should agree, under the terms of a development agreement with the parties referred to at 2.1 above, to the transfer of its freehold interest in part (but not the whole) of the Sixfields Stadium, prior to physical development taking place on that land. However, the transfer of any part should only occur in circumstances where the Council is first satisfied that there are sufficient legal safeguards and financial guarantees to protect the Council's position.
3. That Cabinet supports the principle that the investment returns to each party to the agreement should be based on their respective capital contribution to the scheme. The contribution by NBC and HCA will be in the form of freehold land and it is accepted that the actual value of the land will be determined by reference to the overall profitability of the development scheme.
4. That Cabinet delegates to the Director of Finance and Support, acting in consultation with the Portfolio Holder for Finance, authority to approve the detailed terms of a development agreement consistent with the principles set out in this report.
5. That Cabinet supports in principle, NTFC's aspirations to improve the facilities at Sixfields Community Stadium and Cabinet notes the requests of NTFC for this Council to invest, in the retained Stadium complex, any value generated by the transfer of Council owned land. However, whilst the Cabinet will consider such request it nevertheless resolves not to fetter its discretion as to how it might spend any proceeds arising from its participation in any development agreement.
6. That Cabinet will consult with the Rugby and Northampton Athletics Club during this process.

8. VOLUNTARY AND COMMUNITY SECTOR RELATIONSHIP

As the relevant Portfolio Holder, Councillor Brian Hoare presented the report to Cabinet explaining that it arose from recommendations from Overview and Scrutiny as to how changes could be made in the way the Council and the 'third sector' worked together to

achieve benefits for local people and to the administration of grants. He went through the four recommendations, pointing out that the proposals would give more support for the community and third sector. The commissioning scheme would not be immediate, so in the meantime, there may be an interim grant award scheme focussed on small grants.

RESOLVED

That Cabinet

1. Introduce a commissioning system to procure benefits for the community through the Third Sector, as outlined in the report, commencing in 2010-11, for example, with advice and guidance services and Third Sector infrastructure support services;
2. Introduce a small grants fund, drawn from the existing grants budget, to be administered on this Council's behalf by the Northamptonshire Community Foundation (subject to agreement of terms by the end of September 2009);
3. Operate an interim grant award scheme for 2010-11 only, to provide a period for the Council and the Third Sector to prepare for more general commissioning of outcomes from 2011-12;
4. Restrict eligibility to this award scheme to Third Sector organisations, as defined by Northampton Borough Council, ensuring that funding for other functions is provided for in other appropriate budgets.

9. MARKET SQUARE WATER FEATURE

As Portfolio Holder for Finance, Councillor Perkins presented the report to Cabinet requesting approval for a capital scheme for a water feature at the gateway to the Market Square to be included in the Council's capital programme for 2009-10 funded from a variation to the main Market Square project. He further requested approval of additional ongoing revenue budget for running the water feature as a result of the capital appraisal brought with the report.

Councillor Church confirmed that the planning application for the project had been submitted along with plans for additional seating around the trees and the re-laying of some pavement. There followed some discussion about the carbon footprint and it was accepted that solar powering of the feature was not viable.

RESOLVED

1. That Cabinet approve the following scheme to be included in the capital programme for 2009-10.

Scheme Reference, Description & Directorate	Narrative	2009-10 £	Future Years £	Funding Source
2009-10 GF062 Market Square Fountain Planning & Regeneration	The purchase and installation of a 7 jet dry plaza fountain in the gateway area of the Market Square.	98,027	-	NEL

Further details of this appraisal can be seen at Annex A to this report

- That Cabinet approve the following to be included in the proposed revenue budget from 2010-11 as an unavoidable growth item that will be required as a result of the above capital appraisal.

Description	Narrative	2010-11 £	Future Years
Maintenance	The manufacturer will undertake monthly and quarterly maintenance checks.	6,000	The revenue budget will be required on an ongoing basis, with an increase to all elements for inflation each year. Installation is not planned until March 2010 therefore there will be no revenue implications in 2009-10.
Consumables	Products required to ensure that the water used meets health and safety requirements.	1,500	
Contingency	To cover the cost of any unforeseen operational issues.	5,000	
Electricity	Based on 4380 hours (at £1.10 per hour) per annum.	4,818	
Total		17,318	

- That Cabinet approve that the £5,000 contingency item element of the revenue budget be set aside in an earmarked reserve.
- That Cabinet approve the following variation to a scheme in the capital programme for 2009-10 that will be required as a result of the above capital appraisal.

Scheme Reference, Description & Directorate	Narrative	2009-10 £	Future Years £	Funding Source
2008-09 GF068 V02 Market Square as a Flexible Space Planning & Regeneration	NEL funding has been approved for the wider market square project. This funding will cover the capital expenditure for the water feature. However, the water feature is being submitted as a separate project due to the additional revenue budget implications.	(98,027)	-	NEL

Further details of this variation can be found at Annex B of this report.

10. VALUE FOR MONEY PARTNER FOR THE DIRECTORATE OF ENVIRONMENT AND CULTURE

Councillor Clarke addressed Cabinet asking why there was a need for a VFM partner when there was an in-house team delivering the 2nd most efficient waste collection service in the east midlands. He did not see the need for additional staff and pointed out that efficiency

savings could always be made at the cost of the quality of service. He further questioned whether the relevant portfolio holder was aware of the item on the agenda.

As Portfolio Holder for Environment, Councillor Crake presented the report to Cabinet seeking their approval for the appointment of a value for money partner to work with the Directorate of Environment and Culture and with other council directorates, other councils and partner agencies, if opportunities arose. She pointed out that efficiency savings needed to be found and explained that there was always room to find better value for money. She was fully aware of the substance of the issue and the implications of any proposed partnership with Daventry. She was clear that any decision would come back to Cabinet based on solid facts. Councillor P.D. Varnsberry, as co-sponsor of the report, confirmed he had been consulted on the report although its contents did not refer to areas within his portfolio.

It was agreed that the exercise was not only about cutting costs but also about providing a better service and the proposed partners, Kendrick Ash, had a proven track record with the Council following significant improvements in the Revenues and Benefits department as a result of their input.

RESOLVED

1. That Cabinet agrees to appoint Northgate Kendrick Ash (via its partner AMTEC) to be a value for money partner to the council for a period of two years from 1st September 2009.
2. That Cabinet notes that there is no cost commitment at this stage directly arising from agreeing to appoint a value for money partner and that the financial implications of the appointment are likely to be significant if the value for money partner is successful in achieving high value savings.
3. That Cabinet notes that, in consultation with relevant portfolio holders, a work programme will be developed to establish a programme that will deliver service improvements, efficiencies and better value for money.

11. RESPONSE TO GOVERNMENT CONSULTATION ON PROPOSED CHANGES TO CONCESSIONARY FARES ADMINISTRATION

As Portfolio Holder for Finance, Councillor Perkins presented the report to Cabinet outlining the proposed response to the Department for Transport consultation on changes to the administration of the statutory concessionary fares scheme. He made it clear that the report was about the administrative arrangements and not the funding.

It was pointed out that under the current funding arrangement the Council was losing money, as the town was a transport hub for the county. It would be more beneficial to the Council if the system was administered on a countywide level and administered by the County Council.

RESOLVED

That Cabinet confirm the consultation response and the potential impact on the medium term financial strategy.

12. CAR PARK REPAIRS IN CONJUNCTION WITH PROPOSED DEVELOPMENT AGREEMENT FOR GROSVENOR/GREYFRIARS SCHEME

As relevant Portfolio Holder, Councillor Perkins presented the report to Cabinet and made it clear that works to be carried out were improvements to enhance the standard of the car park rather than essential maintenance. In order for the agreement with Legal and General

to progress, the Council had an obligation to maintain the standard and improve the useful life of the car park. The cost for this was estimated at around £1.75 million.

RESOLVED

That Cabinet approve the capital allocation of up to £1.75 m in 2009/10 to fund essential capital works to enhance the standard of Grosvenor Centre Car Park subject to completion of a capital appraisal.

13. HOUSING HRA PRIVATE FINANCE INITIATIVE (PFI)

The Chair, Councillor Woods, informed Cabinet that although this item was a key decision, it had not been on the Forward Plan. However, he had been given authority from Councillor Malpas, as the relevant Chair of Overview and Scrutiny to make the decision at this meeting.

Councillor Davies addressed Cabinet explaining that although he had problems with the principle of PFI, there had been some successful schemes so he advised Cabinet to take advantage of whatever money the Government offered in order to make sure all tenants had decent homes. He was disappointed that more estates could not benefit and stressed the importance of full consultation with the public. He was particularly concerned that the issue of family homes be addressed as he felt that there were already more than enough flats in the town.

As Portfolio Holder for Housing, Councillor Beardsworth addressed some of the points that had been raised by the public and councillor addresses. She made it clear that PFI funding was not a loan but cash to pay for improvements over a 30-year period. She congratulated officers for their success in making Northampton Borough Council one of only ten councils in the country to benefit from the funding. Residents were already being consulted and although the money was not as much as originally anticipated, it was still good news.

Councillor Woods commented that more properties would now be brought up to standard and there was opportunity for improvement in the mix of housing stock to create more family homes. There was still a need for further plans for other homes and estates outside the current proposal. It was important that the choice of estate was made quickly so that people's minds could be put at rest.

Councillor Perkins advised some caution as no definite plans could be made until the exact figures were available. Councillors accepted that not all problems could be solved but that to do nothing was not an option. Whatever people's views were on PFI, it had to be considered as a means of securing funding for housing improvements even though it would be seven years before any work was done.

Councillor Woods requested that Cabinet's appreciation of the work carried out by officers be noted and conveyed to the team.

RESOLVED

That Cabinet:

1. Note the outcome of the Expression of Interest
2. Authorise the Director of Housing to commence a procurement exercise for external advisors to assist the Council over the coming period through to the award of contracts to deliver the PFI Scheme.
3. Note that the original advisors (Public Private Partnership Programme ("4Ps"), EDAW, Grant Thornton, and Potter Raper) who supported the first bid have been retained to

assist in revising the bid for Homes and Communities Agency (“HCA”) approval following the reduced funding received from Communities and Local Government (“CLG”).

4. The costs of the additional work referred to in 2.3 above may not be contained within the existing budget allocation for 2009/10 and Cabinet is therefore requested to authorise an additional £100,000 being transferred from the HRA Earmarked repairs Reserve to the PFI Earmarked Reserve in order to expedite this exercise.
5. Note that a further update on the revised proposal will be given at a future meeting of Cabinet.

14. PERFORMANCE

14.1 PERFORMANCE MONTHLY REPORT - MAY 2009

As the relevant Portfolio Holder, Councillor Brian Hoare presented the report to Cabinet. He pointed out that it was not a direct carry-over from the previous year owing to a new set of national indicators meaning that there was no previous comparable data. He asked for his colleagues to liaise closely with their directorates to address the red areas. He conceded that some of the lower indicators were related to the economic downturn; however, he wanted to make sure that targets were reasonable and attainable.

Councillor Church welcomed the figures on recycling, that he assumed were attributable to the newly implemented street glass collection.

RESOLVED

That the contents of the report have been noted.

14.2 CAPITAL PROGRAMME 2009-10 MONITORING REPORT, PERIOD 2: PROJECT APPRAISALS AND VARIATIONS

As Portfolio Holder for Finance, Councillor Perkins presented the report to Cabinet. He summarised the details of the proposed variations as outlined in the recommendations of the report.

Councillor Woods drew attention to the £750K made available from DCLG to help address fuel poverty in the private housing sector. Councillor Beardsworth noted the section 106 money that was to be used to update houses in Archangel Square, which were the first properties to be changed to council housing since the 1980s.

RESOLVED

1. That Cabinet approve the following schemes to be added to the capital programme for 2009-10

Scheme Reference, Description & Directorate	Narrative	2008-09 £	Future Years £	Funding Source
2009-10 GF059 Climate Friendly Communities	Countywide project that will address fuel poverty and contribute towards the Governments decent home	750,000	-	DCLG

Scheme Reference, Description & Directorate	Narrative	2008-09 £	Future Years £	Funding Source
Housing General Fund	targets for private sector housing.			
2009-10 GF061 Capitalisation Directive October 2009 Finance & Support	The Council has placed a bid to the CLG for a capitalisation directive for specific costs that would otherwise be revenue.	300,000	-	Prudential Borrowing

Further details of these appraisals can be seen at Annex A to this report.

2. That Cabinet approve the following variations to schemes in the capital programme for 2009-10.

Scheme Reference, Description & Directorate	Narrative	2009-10 £	Future Years £	Funding Source
Budget Increases/Decrease				
2008-09 GF026 V01 Relocation of Call Care Housing General Fund	Removal of this budget from the 2009-10 capital programme. The closure of Weston Favell offices has led to different priorities and therefore the relocation will not happen in 2009-10	(51,675)	-	Prudential Borrowing
2008-09 GF065 V01 SSNP Night Safe & Target Hardening Assistant Chief Executive	Environmental improvements and improved security of vulnerable persons and properties that have had a burglary.	88,212	-	Home Office
Movement between Projects				
2009-10 HRA004 V01 Decent Homes Housing HRA	Budget to be re-directed to specific projects to contribute to decent homes targets in advance of the main phase starting.	(1,220,000)	-	Major Repairs Reserve
2007-08 CS0012 V04 Kitchen Replacement Housing HRA	To help address issues of kitchen disrepair and increase decent homes activity this financial year.	500,000	-	Major Repairs Reserve

Scheme Reference, Description & Directorate	Narrative	2009-10 £	Future Years £	Funding Source
2009-10 HRA012 V01 Capital Voids Housing HRA	There is a trend for higher capital voids than last financial year therefore additional budget is required. Voids will be completed to the decent homes standard.	400,000	-	Major Repairs Reserve
2008-09 HR007 V01 Complete Roofs Housing HRA	Work is required to two blocks of flats that are beyond repair; these will meet the decent homes standard.	320,000	-	Major Repairs Reserve
2007-08 CS0023 V01 Archangel Square Housing HRA	This project was completed in 2008-09. It was originally to be funded through the Council's resources, however Section 106 money was found to be available. Therefore this budget will be re-directed to the window and door programme.	(70,000)	-	Major Repairs Reserve
2009-10 HRA013 V01 Windows and Doors Housing HRA	A number of properties were omitted from the window replacement scheme in the 1990's. The funding from the Archangel Square project will cover the costs of these and also those properties that have been identified as requiring replacement.	70,000	-	Major Repairs Reserve

Further details of these variations can be seen at Annex B of this report.

3. That Cabinet note:

- a) The capital programme monitoring position as at end of May 2009, including forecast outturns and slippage into 2010-11, as set out at Annex C and D.
- b) The funding arrangements for the 2009-10 capital programme as set out at Annex E.
- c) The slippage of unfinished schemes from 2008-09 into the 2009-10 capital programme, for the revenue expenditure funded by capital under statute schemes, and how the planned expenditure is to be funded as set out at Annex F.

14.3 HOUSING REVENUE ACCOUNT (HRA) MONITORING 2009-10

As Portfolio Holder for Finance, Councillor Perkins presented the report to Cabinet, identifying the projected outturn position for the current financial year for the Housing Revenue Account (HRA). It was noted that the report also referred to the management action being taken in response to the forecast to minimise the impact on the Council's HRA working balances at the end of the financial year.

RESOLVED

That Cabinet note the report and the forecast overspend of £1k on the Net Cost of Services.

14.4 REVENUE BUDGET MONITORING 2009-10 POSITION AS AT END OF MAY 2009

As Portfolio Holder for Finance, Councillor Perkins presented the report to Cabinet identifying the projected outturn position for the current financial year. The report also referred to management action being taken in response to the forecast and to minimise the impact on the Council's general fund reserves at the end of the financial year.

Councillor Brian Hoare commented on the need to recognise the report in the light of current economic difficulties.

RESOLVED

1. That Cabinet note the report and the forecast over spend of £884k net of management action.
2. That Cabinet consider the nature of the information provided in the general fund revenue budget monitoring report and agree that actuals to date be reported on a quarterly basis.

15. EXCLUSION OF PUBLIC AND PRESS

The Chair moved that the public and Press be excluded from the remainder of the meeting on the grounds that there was likely to be disclosure to them of such categories of exempt information as defined by Section 100(1) of the Local Government Act 1972 as listed against such items of business by reference to the appropriate paragraph of Schedule 12A to such Act.

The Motion was Carried.

16. LAND AT GREEN STREET

Councillors Church and Woods withdrew from the meeting having declared a prejudicial interest in this item. Councillor B Hoare assumed the Chair.

Councillor Perkins presented the report to Cabinet and confirmed that the purpose was to seek the authority of Cabinet to dispose of freehold parcels of land at Green Street to West Northamptonshire Development Corporation. He confirmed this was not on the Forward Plan but had the support of the Overview and Scrutiny Chair.

Councillor B Hoare acknowledged that the land could be undervalued but any land value uplifts could be shared and wanted to support WNDC to bring together a more comprehensive scheme.

RESOLVED

That Cabinet agreed to the sale of three separate parcels of land at Green Street (shown edged red upon the attached plan in Appendix 1) in return for a minimum payment from West Northamptonshire Development Corporation (WNDC) of £210,000 (two hundred and ten thousand pounds) and on such other terms as shall be approved by the Director of Finance and Support, acting in consultation with the Portfolio holder for Finance.

17. SIXFIELDS DEVELOPMENT AGREEMENT

There was no additional debate on this item as the substantive issues had been discussed under Item 7 above.

RESOLVED

- 2.1 That Cabinet supports this Council entering into a development agreement with Homes and Communities Agency (HCA), Northampton Town Football Club Limited (NTFC) and LXB Partners LLP (LXB) to facilitate the development of land at Sixfields for a scheme involving uses that will
- (a) not conflict with preserving and enhancing the commercial vitality of the Town Centre,
 - (b) ensure that the stadium itself continues to be used for Association Football and other uses described under the existing Lease referred to at 3.1.1 and
 - (c) ensure that replacement athletics facilities are built to UK Athletics Competition Standard for track and field, within Northampton prior to any redevelopment of the existing facilities.
- 2.2 That Cabinet supports the principle that this Council should agree, under the terms of a development agreement with the parties referred to at 2.1 above, to the transfer of its freehold interest in part (but not the whole) of the Sixfields Stadium, prior to physical development taking place on that land. However, the transfer of any part should only occur in circumstances where the Council is first satisfied that there are sufficient legal safeguards and financial guarantees to protect the Council's position.
- 2.3 That Cabinet supports the principle that the investment returns to each party to the agreement should be based on their respective capital contribution to the scheme. The contribution by NBC and HCA will be in the form of freehold land and it is accepted that the actual value of the land will be determined by reference to the overall profitability of the development scheme.
- 2.4 That Cabinet delegates to the Director of Finance and Support, acting in consultation with the Portfolio Holder for Finance, authority to approve the detailed terms of a development agreement consistent with the principles set out in this report.
- 2.5 That Cabinet supports in principle, NTFC's aspirations to improve the facilities at Sixfields Community Stadium and Cabinet notes the requests of NTFC for this Council to invest, in the retained Stadium complex, any value generated by the transfer of Council owned land. However, whilst the Cabinet will consider such request it nevertheless resolves not to fetter its discretion as to how it might spend any proceeds arising from its participation in any development agreement.
- 2.6 That Cabinet will consult with the Rugby and Northampton Athletics Club during this process.

The meeting concluded at 21.12